

Develop Israel with Israel Bonds

TUESDAY.
MARCH 28, 1955

THE JERUSALEM POST

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Marginal Column

By SEBY LAGUNUS

FIFTY years ago this week, Jules Verne died in Amiens. seldom if ever in his lifetime has an author had such extraordinary success. His books on Phineas Fogg and Passageway, on Captain Nemo and Lechevalier Strogoff were translated into all living languages, including Chinese. He had a yacht of his own, and was given a royal welcome during his visits outside France. There was even a persistent, though wholly untrue Shakespearean rumour, spread by critics that his co-writer, Givetch, born in Piotz, was the real author of the Jules Verne novels. His success has been enduring, too: when the first atomic submarine came to be built, it was named *Nutilus*, after the vessel appearing in "Twenty Thousand Leagues Under The Sea." Historians of science and technology have found in his innumerable works the prototypes of the helicopter, the V-1 rocket, practical gadgets which make life so entertaining in our day.

There will be a Jules Verne Month celebrated in France, to be opened by the President of the Republic, and "Twenty Thousand Leagues" will be shown for the first time. And yet it must be understood that Jules Verne will be read (if at all) by those born in 1945 as an author of historical novels. For great as the technical progress was during Verne's lifetime, it is dwarfed into insignificance by the things that have happened during the past fifteen years. When the present writer first read about the eighty-day trip around the world (which he can still remember very well), Lindbergh had already crossed the Atlantic. Byrd had flown over the North Pole and the Graf Zeppelin had just flown around the world in 21 days and eight hours. But Phineas Fogg had made some much more remarkable flights: Transatlantic airplane service was still ten years ahead, Mr. Whittle in England had not yet patented his design for an aircraft jet propulsion engine, and a certain Mr. von Oerlikon was just in a rocket plane, reaching a height of fifty feet and staying in the air for a minute or so.

But since then, of course, everything has changed. To find out how much it has changed, we have to go back (from a commercial point of view) and equally depressing (from all other viewpoints) literature called science fiction. On the popular level there is an enterprising young committee chairman, Mr. Styles Bridges. They have said that the U.S. should strike back if China attacks Quemoy and Matsu is-

McCarthy Wants Flat Reply From Ike on Quemoy

WASHINGTON, Monday (UPI). — Senator Joseph McCarthy demanded today that President Eisenhower publicly state immediately whether the U.S. will defend the Quemoy and Matsu Islands.

The Wisconsin Republican charged that the President is deliberately inviting what may be an unnecessary war" by not making known the Administration's intentions on the islands off the China coast.

Mr. McCarthy voiced his views in a Senate speech shortly after Senate Democratic and Republican leaders exchanged charges of "irresponsibility" and "appeasement" in an angry debate on the Far East crisis.

The Democratic leader, Mr. Lyndon Johnson, touched off the hot exchange when he accused Senate Republican leaders of putting pressure on President Eisenhower to fight if necessary to defend the Chinese off-shore islands, and indulging in "irresponsible" war-making in the Far East.

The Republican leader, Mr. William Knowland, reported that "the road to appeasement has at last ended five years of French rearmament over German rearmament."

In Bonn, the West German Chancellor, Dr. Adenauer, said that French ratification of the Paris treaties will force Russia to reconsider her whole policy and bring about more normal East-West relations.

Spokesmen in Washington and Paris have also indicated that the three Western powers would not look with disfavour on the Chancellor's invitation.

Mr. Johnson's charges of war talk were aimed at Mr. Knowland and the Senate's Republican policy committee Chairman, Mr. Styles Bridges.

They have said that the U.S. should strike back if China attacks Quemoy and Matsu is-

Warlords Threaten To Blockade Saigon

SAIGON, Monday (Reuters). — The private armies challenging Premier Ngo Dinh Diem tonight issued a communiqué warning the people of Saigon to stock food and water because they might have to blockade the city. The move in the war of nerves came after a meeting here this afternoon of their three chiefs — Gen. Le Van Tien of the Dinh Xuyen army, Gen. Tran Van Son of the Hoa Hao sect, and Col. Tan "Pop" of the Cao Dai group.

Mr. Arthur Henderson (Labour) asked: "Are we to understand that arrangements are now being made at official level to prepare for a conference?"

French ratification of German rearmament, the Foreign Secretary added, would enable Britain to follow the procedure he outlined during the House debate on March 14, when he told Britain's favour four-power talks on the possible rearmament of France by France. He declined to answer a question as to whether West Germany would be represented at such a conference, saying that this raised certain questions of representation on both sides.

(UPI, Reuters)

Iraqi Senator Challenges Turks' 'Good Intentions'

Sakal Jahr, former Iraqi Pre-

mier and now Senator, yesterday in Baghdad challenged the Turkish Government to show her "good intentions" expressed in the memorandum of understanding.

It was said that she had no time to meet with the Prime Minister.

"The time has arrived when the Arabs want to know what she said about supporting the Arabs," he said. The Gaza clash, he asserted, was directed not only against Egypt but the other Arab states as well.

The 68-year-old head of the

Cao Dai who has become a key figure in the struggle for power in Iraq, was reported to have armed his warlords allies to hold a round-table conference with the Premier. A member of his personal entourage said that the "Pop" after deep mediation this morning met his allies in a compromising mood.

Big Welcome for Misgav

Crew in Johannesburg

JOHANNESBURG, Monday (INA). — Commander Vishnayevsky and the 40 crew members of the Israel frigate Misgav, received a rousing welcome from Rand Jewry, Balfour and the crew from Friday for a second long visit to the Union's second largest city. Synagogues were crowded on Saturday when the crew attended services and rabbis devoted sermons to the their

memories.

The Misgav, which is making a goodwill visit to South Africa, is now in Lourenco Marques.

Portuguese authorities closed the port to Misgav for Friday for a weekend visit to the Union's

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Social & Personal

A reception for Sir Thomas Evelyn, Director of the National Gallery in London, was given at the Israel Museum last night. Among those present were the Netherlands Minister, Mr. Gibson, Ambassador; the Director General of the Foreign Ministry, Mr. Waller-Eckel; the Deputy Director-General, Mr. Arthur Lourie; the Director General of the Ministry of Education and Culture, Mr. M. Avidor, and Mr. and Mrs. Sam Zacks.

The Spanish Minister in Israel, Mr. Nicanor Tafurino de Oviedo, accompanied by Mr. Luis Ansorena-Tariso da Fontoura, Second Secretary, and Miss Sonia Shuster, secretary, visited the Histadrut Executive Building yesterday and were received by the Secretary-General, Mr. Moshe Dayan, and the Treasurer, Mr. Yitzhak Haskin, who is a member of the Israeli-British Cultural Union.

The recognition for Jewish volunteers of World War II which should have been given to the Israel-Holland yesterday has been postponed until tomorrow at 11:30 a.m., the President's Office has announced.

Mrs. John W. Nichols, wife of the British Ambassador, yesterday visited the Abrahams Institution for Crippled Children in Tel Aviv.

A reception for Mr. S. Shoham, President of the Union of Canadian Jewish Ex-Servicemen, was held at the home of Rabbi F. Nathan last night, and was attended by members of the Jerusalem branch of the Royal Air Forces Association.

ARRIVALS: Mrs. Jeanne Leon of the British WIZO Central Officer; Mrs. Jessie Karpas Publicity Chairman of the Hadassah Council in Israel, from a speaking tour in the U.S.; Mr. S. Zuckerman, Editor of "Der Tag" — Modern Journal of New York — on a month-long visit; Rabbi Nahum Kahn Shapiro, Principal of the Yavne Yeshiva of New York to settle in Israel (by El Al); Mr. M. Ben-Mosheh of the Immigration Department of the Jewish Agency, from a mission to Turkey and Persia.

Dr. Ernest H. Stern, F.R.C.S.: F.R.C.S. and Mrs. Stern have arrived from London. Dr. Stern was Director and Economic Advisor of the Reichs-Kredit-Gesellschaft, Berlin, and for a past 20 years Economic Advisor of the Union Corporation, London.

Professor Felix Bloch, Nobel Prize winner in Physics, guest of the Weizmann Institute and the Hebrew University, is to lecture at 11 a.m. on Wednesday and Thursday, March 30 and 31. The subject of the first lecture will be "The Dynamical Theory of Relaxation" and of the second "Experiments in Nuclear Radiation."

Dr. M. Wydya, General Manager of Shoham, Ltd., is to address the luncheon meeting of the Skal Club of Tel Aviv at the Gai Rimmon hotel at 1 p.m. today.

UNIVERSITY GOVERNORS MEETING TOMORROW

The annual meeting of the Board of Governors of the Hebrew University will be held in the Schocken Library for three days beginning Wednesday. The official opening will take place at 11:30 a.m. when the Prime Minister, Mr. Moshe Sharett, will deliver greetings.

Mr. Eric Wolff, an active member of the Friends of the Hebrew University in England and Alice Mats, Goodman, of New York, have arrived to attend the meeting.

GESTAPO — The prosecutor in a Lyons, France, military court yesterday found four death sentences in the trial of seven former Gestapo men who are accused of hundreds of executions, arrests, tortures and deportations in south-east France during the German occupation in World War Two.

ON THE AIR

FIRST PROGRAMME
MT. 8.30 & 11.30 M.
NEWS: 8.30; 11.30; 12.30 P.M.
11.30 12.30 1.30 2.30 3.30
(including News); 8 a.m.
1.30 & 4.30 M. 4.30 Exercise,
6.30 M. Service, 8.30 Evening,
10.30 M. News, 10.30 Melodies
(8.30 Close Down).
12.00 M. "Music at Noon" (E.E.).
12.30 "Housewives' Council" (E.E.).
Light Music (R.T.B.) 1.30 Break for
1.30 1.30 1.30 Close Down.
4.00 P.M. Light Programme (G.R.).
Agricultural, 5.30 Children's Hour,
7.00 Music Programme, 7.30 Sports,
7.45 Noah's Ark, 8.00 Children's Hour,
8.30 News, 8.30 Art Film, Musical
Conductor: George Singer.
Guest: David Loeb. Concerto gross
in F major (Bach); Violin Con-
certo No. 3 (Bach); Shir; Suite
(Vivaldi); 10.30 Requests, 11.10 Close
Down.

SECOND PROGRAMME
MT. 8.30 & 11.30 M.
NEWS: 8.30; 11.30; 12.30 P.M.
French News: 1.00 P.M.
IMMIGRANT HOUSE: 8.15 P.M.
Programme: 10.30 1.30 2.30 3.30
Light Music (R.T.B.) 7.30 Ladino,
9.00 Close Down, 10.30 Romanian,
9.00 Ukrainian, 9.30 Close Down.
R.T.B. 8.30 11.30 M.
11.30 12.30 M. "This Also
Happened." 11.30 Vocal Recital: Da-
vid Halperin, 11.45 Easy Hebrew
Conversation.

AIR PROGRAMME: (M.A. 210
220 & 230 M.); 6.30 Opening, 8.30
"Boy and Arrow," 7.00 Light Mu-
sic, 7.30 "Orchestra to Carpet," 7.45
"Music of the Month," 8.00
Close Down.

R.B.C. HEBREW BROADCASTS:
Admission will cost 10 mil pruta
from April 1, the Post Office
announces.

LAW REPORT

The Jerusalem Post
March 29, 1955

In the Supreme Court Sitting At High Court of Justice
Before the Deputy President Justice Chaskin, Justices London and Wilton.
Israel Shimshel, Applicant, v. I. Schreiberman "competent auth-
orities" and 2. The Appeals
Committee for Requisitions
COURT RULING ON BIAS

The High Court made absolute an order not granted to the applicant on December 13, 1954, calling on the government to show cause why they should not cancel a requisition order issued by the competent authority, Mr. Schreiberman, and confirmed by the Appeals Committee formed for the purpose of hearing appeals against requisition orders.

In August 1954 the first respondent requested an injunction to the applicant, Mr. Shimshel, for the cancellation of a new immigrant, Mr. Ginsburg — pointing out that no allegations had been made that he had, in any way, attempted improperly to influence the Appeals Committee because he was concerned in settling immigrants by virtue of his position in the Jewish Agency. This, however, was not the question under consideration, and the real and only question was whether any reasonable man would consider that there was an automatic possibility of bias in the part of Mr. Ginsburg. The court ruled to this question in the affirmative. For would not the reasonable man presume that a person who shares an office with a colleague whose professional and public interests are identical with those of his own, since both are concerned with the well-being of the new immigrant, is bound to be influenced by the wishes of that colleague? In other words, would not the reasonable man be for given for concluding — even if this conclusion were completely without basis in fact — that Mr. Ginsburg had not decided the question of the requisition order on the merits of the case alone, but had been influenced by irrelevant and unpermissible considerations? For this reason, and this reason only, Justice Chaskin held that the order was incompatible from serving as a member of the Appeals Committee.

The order was made absolute and the applicant given the opportunity of appealing once more to the Appeals Committee, which, after consulting its previous members, the Court recommended should be composed of three different persons. The applicant was awarded IL 600 costs. Decision given on March 22, 1955.

VISITORS' GALLERY
King Of American Soles and Heels

Literally speaking, no individual has had so great an effect on the walking habits of the world's fastest moving democracy than personable Justice M. J. Weisberger, who visiting Israel participates in the opening of Sulastan, Israel's first plant to produce synthetic soles and heels and other materials.

One of America's industrial heavyweights, Mr. Biltz, a foremost Boston Jewish philanthropist, President of the Biltz Rubber Co., the U.S.'s largest single producer of synthetic sole materials and rubber heels. The scope of the industrial revolution conducted by Biltz and other companies to follow its pioneering lead can be judged by the fact that more than 90 per cent of the non-American walk on today are protected by the new product.

Central figure in this vast business sweep, Mr. Bernstein is modest man whose fame in the field of philanthropy and social welfare has won him recognition in American commerce. A pillar of New England's active Jewish Community, Mr. Bernstein has a long and uninterrupted record of service to Jewish interests in Israel as on the American scene where he voluntarily served as a member of the advisory committee to the U.N. Economic Commission for Europe.

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THE AVIV — Opening of exhibition of oil paintings by 200 artists, 8 p.m. Thursdays.

Theatre — Chamber Theatre, Shakespeare's "As You Like It," Chamber Theatre, 8 p.m.

Yiddish — "The Caine Mutiny," Bialik Theatre, 8 p.m.

RAJFA — Exhibitions — Students' works, Technical High School of Technology, 8-11 a.m.

"American" Sculpture exhibition, Canaan Temple of the sea shores of Nahariya (XVIII-XIX centuries R.C.E.), Tel Aviv.

"Conquest of the Desert" permanent exhibition at the former pavilion of the International "Conquest of the Desert" exhibition 1945.

Book Club — French Art from the Araya and Sam Zack Collection, Pre-Columbian Art — new acquisitions. Biltz Rubber Co. — 10th anniversary of the 1945 Centenary of the 1945 Century by Giuseppe de Leva of Verona, Bimini Museum, 10-11 a.m.

Department of Antiquities — exhibition of ancient Egyptian, Canaanite, Temple of the sea shores of Nahariya (XVIII-XIX centuries R.C.E.), Tel Aviv.

Exhibition — "The Art of the East" — 10th anniversary of the 10th Anniversary-

Yiddish — "The Caine Mutiny," Bialik Theatre, 8 p.m.

AMERICAN — "The Tea House," 8 p.m.

EMERGENCY PHARMACEUTICALS — Birov, Tel Aviv.

ERGON — Mount Carmel — Saad

HAIFA — Bookshop, 10 Rehov Herzl, Tel Aviv.

HOTEL EDEN (Brochets)

HAIFAS — Mount Carmel — Saad

HAZAN — Mount Carmel — Saad

Economic News from Abroad

Nuclear Power in U.K.

Within ten years, a number of nuclear power stations is to be constructed in Britain to produce as much electricity as five to six million tons of coal a year. By 1975, the total nuclear power capacity is to be of the order of 10 to 15,000 kw. according to the recently published Government development programme, and it will amount to the power generated from 40m. tons of coal a year, accounting for between 15 and 20 per cent of the total installed power capacity. The first stations will start operating in the early 60's, and natural uranium 235 will produce a supply of plutonium to be stockpiled for use by the stations of the second phase, which may begin operating by 1985. The electricity, it has been conservatively estimated, will be no greater than at today's most efficient coal-fired power stations.

Olives Oil Exports

A considerable surplus of 80,000 tons of olive oil accumulated in Greece, but foreign competition, largely from Tunisia, will restrict exports to 20,000 tons this year. Approximately half will be refined. A considerable quantity of olive oil was shipped to Brazil last year, but this export had to be discontinued following a growing adverse trade balance.

Japan Plans Merchant Marine

Despite British and other foreign competition, Japan is going on with her ambitious programme to increase her merchant marine to at least 45m. gross

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Tuesday, March 28, 1955

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IT would perhaps be an exaggeration to say that our agricultural planning has gone awry. It would be even less justified to blame all the vagaries of agriculture for all the woes of economic development and its deviations from the way prescribed by well-meaning planners. After all, we have just witnessed in the U.S.S.R. an instructive example of how a totalitarian state under conditions of total planning and almost limitless possibilities of administrative compulsion. So much the more reason to esteem the results achieved in this country by more voluntary means and in the various complicated circumstances of rapid expansion and continuous absorption of new and inexperienced settlers.

As a matter of fact, agriculture is almost the only sphere of our economy where there has been planning worthy of the name. And now, as an effective act of inducements and interventions has been evolved. But with all that, the fact remains that the results achieved so far do not at all dovetail with the original programme, and the differences, small at first, are now becoming so proportionate which should be noted.

Recent summaries prepared by the Joint Agricultural Planning Centre make it clear that despite all progress in expanding irrigation facilities, actual use of water for irrigation has been lagging behind the targets by over 10 per cent, and last year over 180,000 tons were used. Nor will the situation much improve this year. The number of farm units settled is also behind schedule and though the situation is improving owing to immigration from North Africa, one should not expect the initial lag to be easily made up.

But what matters more than the delay is the development of new and old farms alike along lines which may be the most profitable under the present circumstances but not from a long-term point of view. The most glaring example is the present critical dairy production, especially raising margins beyond all targets at the same time. Last year, the increase in the number of milk cows was far less than had been envisaged in the (already reduced) Development Programme, based on the natural increase of the local herd, and this year it may even register an absolute decline under the combined impact of low dairy profits, high meat prices and difficulties in procuring feedstuffs as a result of the drought. Similarly, carob planting, which experts consider the only practical way to expand a local supply of animal feed, has been neglected and no proper attention given to the valuable olive industry, because farmers preferred to concentrate on profitable deciduous fruit and the Government assisted citrus plantations.

A concomitant of slower growth on the part of farms has been the lag between their costs, earnings and standard of living and those of older sectors. In this respect, too, the situation is likely to worsen a good deal this year because the new farms have been most severely hit by the drought.

We have lately been presented with a whole series of demands for help, culminating in the bold idea of a special "drought-tax" to be levied on the urban population in order to provide the farmers with a cushion against the vicissitudes of nature. But it seems that the time has come for a more realistic discussion of the possibilities and targets of agricultural planning, which could now profit from two more years of practical experience and from the advances achieved in general agricultural knowledge.

F. and C. FIGURES
The current liabilities of Fertilizers, Chemicals Ltd. have risen to the following totals: IL.2.4m. and not IL.3m., as published on the page last week.

The total output of sulphuric acid for 1954 was 61,000 tons and not 52,000.

Cheaper and Better

By Our Economic Correspondent

THE COOPERATIVE stores have again raised the question to what extent the local production of essential goods, mainly foodstuffs, can compete with imports.

I decided to lower the prices of a number of essential goods. The difference will not be big, but the deliberate attempt to attack our economic problems from a different angle is of importance. Until now we had tried to step up production and to slow down the rise in prices. This time the price level is to be forced down. This might affect the cost of living and with public and private payrolls. Moreover, cooperative price-cutting could force private firms to follow suit.

The manager of Hamashbir Hamerkai has warned, however, that only time will tell whether price cutting does result in increased sales.

The question has been complicated recently, however, by the necessity to compensate the exporter for losses which will incur while he goes after foreign markets, and which he recoups with profits on raw material import and on domestic sales at high prices. When foreign goods become available, many fear that imports will necessarily shrink. It will not be easy to maintain the balance between indiscriminate imports, which would swamp the local market, and the demands of pressure groups for absolute protection.

We must not forget another aspect of the import of consumer goods, which are often luxury goods, in contrast to raw materials. It is like to direct into consumption money which could and should be invested. Late last year the Government has paid attention to the need for saving, offering the public to participate in building projects and to buy shares in public enterprises. This is necessary if we are again to learn to save for investment instead of looking for capital abroad.

Several firms have achieved cheaper and better output by cutting in production effort, who want over-production, excesses in a form of combs, looking into the disposition of machinery, the feeding of raw materials, the workers' motions, lighting, ventilation, etc. Starting savings are more than demanding greater exertion from the workers and at no great expense. The experts' recommendations have another advantage: they can be carried out without lengthy productivity council discussions, without demanding a reduction in working hours.

This sort of streamlining is, of course, an essential aspect of modern production. That Israel has been late in seeing it can only be explained by the protracted existence of a rather modest and thus slow-growing market.

Company Report

A.P.B. Doubles Share Capital

THE annual report of A.P.B. Investment Ltd. constitutes another instructive survey of the Israeli securities market and the rôle of the Ministry of Finance in it. It points out that ordinary stock quotations rose during the first half of 1954 mainly due to some special reasons, largely in connection with the nationalization of Palestine Electric, for generally increasing industrial stability. The result of it, it must have had a deflating influence on the stock exchange, particularly since considerable amounts of liquid capital have attracted high interest rates to short-term investors outside the legitimate sphere of stocks and bonds. As a matter of fact, almost no important securities have been issued in the past nine months, and prospects do not seem propitious of improving either.

In municipal finance, on the other hand, the New Economic Policy has brought about marked improvement. Most local authorities managed to greatly increase their ordinary debts in 1953/54, and the improvements continued this year. Expenses were cut, inflated payrolls reduced; teachers' salaries, which formed an important item in the municipal budgets, were cut by the Treasury, and municipal revenue rose substantially—from IL.65m. to IL.85m., i.e., by over 30 per cent, in 1953/54.

We have lately been presented with a whole series of demands for help, culminating in the bold idea of a special "drought-tax" to be levied on the urban population in order to provide the farmers with a cushion against the vicissitudes of nature. But it seems that the time has come for a more realistic discussion of the possibilities and targets of agricultural planning, which could now profit from two more years of practical experience and from the advances achieved in general agricultural knowledge.

Less Citrus But Export Level Kept

By Our Economic Editor

OWING to a combination of particularly favourable circumstances, the financial resources for the citrus crop will be far below those of the previous year, although the crop is appreciably lighter. The total has been provisionally estimated at 9.25m. tons on crates compared with 10.75m. last year, but exports are expected to be at least 7.5m. tons and perhaps 7.8m. in only about 750,000 crates less than last year. At the same time, on fixed markets prices have so far been approximately 10 per cent above last year, and the season's consignment sales are expected to fare slightly better.

BEST PRICES
We are, therefore, in a position to offer our fruit to the best paying part of the British public, and to those in America, our main competitor. The Spanish orange is still affected by last year's heavy frost. Yet even in these favourable circumstances something of a surprise to Israel citrus growers: while last year the average price paid for Valencia oranges was 12s. 6d. per crate, this year it advanced to 13s. 6d. shillings in January and then soared to 14s. 6d. shillings. Grapefruit, at 13s. 6d. shillings, are still fair above last year's average 12s. 6d.

Belgium and the Netherlands, which also get citrus on consignment, are going to receive something like 900,000 crates, a cut of 20 per cent from a year ago. Our second-best customer will be West Germany, which is stepping up its purchases to hard currency (a big jump from 1953). In France, the average price paid for oranges sold there in the previous season was 12s. 6d. per crate, but this year it advanced to 13s. 6d. shillings. It is therefore fairly certain that this will be the case for Spain, too, though it is not yet known exactly how much higher the price will be.

Little is left therefore for the domestic market, which in addition, continues to decline. Returns obtained abroad improved, on the other hand, inducing growers to export as much fruit as could pass grading standards. Scarcely more than 45-50,000 tons of citrus will be supplied to Indian markets, the total for 1953/54 being 32,000 against 30,000 last year, and sales for direct consumption are also running considerably lower.

As a matter of fact, unless this changed relation between local supply and demand continues during the coming season, it will prove the decisive argument for fruit sold for direct consumption. The price of 10s. per kilogram has not been raised since 1953, and the grower's net return has actually gone down, since his supplies are limited to Indian markets. The market would doubtless bear a much higher price.

Export shipments of grapefruit and Valencia will again reach approximately 1,200,000 crates, and lemons may even increase from 104,000 to 250,000 crates, but Shamouti (Jaffa) oranges will not exceed 4,750.

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The total output of sulphuric acid for 1954 was 61,000 tons and not 52,000.

DUTCH DIAMOND INDUSTRY HIT

By Our Economic Correspondent

THE INFLUENTIAL Dutch diamond workers union went on strike for the first time in 50 years on March 14, and it is highly unlikely that the dispute, involving 1,200 workers, will be resolved before the end of the month. The union has announced that it is determined to fight to the bitter end, sacrificing if need be three-quarters of its strike fund of two million guilders accumulated over the years. It is also ready to enlarge its own cooperative industry, organized last year from entirely workers.

The immediate issue was the factory owners' refusal to agree to the six-per-cent wage rise, which was introduced in most other Dutch industries last year and which they countered with a proposal to lengthen the work week from 40 to 48 hours, leaving the weekly wage at the same figure. Only in Israel and the Soviet Union do diamond workers work more than 40 hours a week. The real causes, however, lie in the slow but steady decline of the Amsterdam diamond industry.

In 1920, just after the First World War which had paralyzed the Belgian diamond industry, there were 11,000 diamond workers in Amsterdam. Before the Second World War broke out, the figure had fallen to 3,200. A large part of Amsterdam's cutters and polishers had settled in Antwerp, where wages were at least as high and taxes lower. Others had turned to other trades, offering greater security and less subject to frequent depressions.

Over 1,000 Jewish diamond workers were deported during the war and did not return. The temporary stand-still of the industry in the Low Countries led to its development in other countries, notably Israel, which took over some markets.

On the whole, however, the company adhered to its policy of investing in countries of "prospective value." Its gross profit last year rose from IL.65m. to IL.85m. and debt service did not exceed nine or ten per cent of the regular revenue. Though there still remains the excessive burden of taxation, in particular, which increased during the first half of 1954/55, the situation has been somewhat eased by partial postponement of instalments due to the Treasury and to other financial institutions.

A.P.B. Investment has also stuck to a cautious credit policy toward local authorities, and the total of its loans to them outstanding at the year end (IL.65m. instead of IL.6m.), although more than half are held by Treasury guaranteed bonds, is now only IL.25m. The bulk of this is to Tzvora, Water and Sewerage, planting, settlement and housing funds. The investment portfolio has also increased during the first half of 1954/55, through purchases of Palestine Electric, the Bank of Israel and some convertible industrial debentures.

We have lately been presented with a whole series of demands for help, culminating in the bold idea of a special "drought-tax" to be levied on the urban population in order to provide the farmers with a cushion against the vicissitudes of nature. But it seems that the time has come for a more realistic discussion of the possibilities and targets of agricultural planning, which could now profit from two more years of practical experience and from the advances achieved in general agricultural knowledge.

crates compared with 8.6m. in 1953/54.

Out of the total 7.8m. crates, 9.25m. (12s. last year) are likely to go to Great Britain and Ireland. Gone is the time when the citrus crop will be far below those of the previous year, although the crop is appreciably lighter. The total has been provisionally estimated at 9.25m. tons on crates compared with 10.75m. last year, but exports are expected to be at least 7.5m. tons and perhaps 7.8m. in only about 750,000 crates less than last year. At the same time, on fixed markets prices have so far been approximately 10 per cent above last year, and the season's consignment sales are expected to fare slightly better.

BEST PRICES

We are, therefore, in a position to offer our fruit to the best paying part of the British public, and to those in America, our main competitor. The Spanish orange is still affected by last year's heavy frost. Yet even in these favourable circumstances something of a surprise to Israel citrus growers: while last year the average price paid for Valencia oranges was 12s. 6d. per crate, this year it advanced to 13s. 6d. shillings. Grapefruit, at 13s. 6d. shillings, are still fair above last year's average 12s. 6d.

Poland, Rumania, Bulgaria and Hungary—will, it is hoped, increase their purchases what to about 250,000 crates. The four Scandinavian countries will again take a total of approximately 1.8m. crates and we are negotiating with France about some of Valencia, which may raise her import over last year's of a million crates.

To date, less than 8.6m. crates have been shipped, and there may be some surplus before the season ends, so that the above figures are not final. But there can hardly be any change in the general outlook, for about half of the crop is now being sold at fixed prices, and paid at fixed dates. It is paid for in advance. Incidentally, this permits much better planning and utilization of transport facilities.

It is therefore fairly certain that this will be the case for Spain, too, though it is not yet known exactly how much higher the price will be.

No exact data on planting are available, but potato sowings will evidently be cut by at least one-third. Only 8,000 tons of onions have been ordered so far, and no local potatoes are likely to be used for animal fodder. Many farmers are giving priority to irrigated land and greenhouses.

COSTS ALSO UP

Costs also are rising, though not so sharply as the price. The average price of 12s. per crate, railway charges jumped by 22.5 per cent, and other expenses by 10-15 per cent and more. The experts forecast more increases next season. At the same time, large investments are being made in mechanized equipment and houses. In two more years, the first post-war citrus groves will start to bear fruit, and in ten years we may be able to double our present export. Obviously, our present prosperity should not distract citrus growers from practising thrift and doing some prudent planning.

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